NSC BRIEFING

3 June 1958

LEBANON

- I. The situation has not changed significantly during past few days.

 Drift still seems to be unfavorable to govt.
 - A. Military situation remains one in which neither side seems capable gaining a decision. After several days lull, opposition forces launched new major attacks on centers in Bigs Valley seizing initiative from pro-govt auxiliaries.
 - 1. General Shihab apparently continuing to fear military crack-down would cause Moslem-Christian warfare, ending possibility for compromise.
 - b. Anti-govt forces, now estimated by govt at 11,000, continue to defy govt in parts of cities and much of countryside.

 Yesterday opposition made sowered attacks in Biga stilley Rebels Inck unity, however.
 - 1. Focus of military action, hitherto mostly in the north, may shift to south where up to 4,000 UAR-supported rebels have been gathering for several days. This may be preparation for attack on Tyro and Sidon.
 - American Tapline Company, which has terminal for Saudi Arabian oil at Sidon, has prepared for evacuation of employees' families.

c.	Impetus toward regrouping, resupplying and reinforcing 25X
	opposition forces now appears coming predominantly from UAR
	rather than local Lebanese opposition.

25X1

- II. Political situation reflects military stalemate. Chamoun says he still determined to remain in office until term expires 23 Sept.
 - A. UAR, which has been calling for Chamoun's immediate resignation, now appears seeking "compromise" under which "neutral" Muslim Prime Minister, approved by UAR and Lebenese opposition leaders, would be installed while a figurehead Chamoun completed his term. Pro-Western officials would then be replaced in stages over next few months.
 - to hold off pressing complaint in UM, while Arab League explores possibility of "compromise."
 - B. Opposition leaders and UAR emisseries also continue to deal with Shihab, suggesting he take political role.
 - C. Meanwhile, UAR propaganda becoming shriller.
 - 1. Syrian nationalist press annual demanding "recovery" of border areas in Lebanon annexed from Syria by French after World War I.
 - 2. "Free Lebanon" radio denouncing Malik and Chamoun as British agents (Malik "No 6" and Chamoun "No 24") kept in power only by US pressures.
 - 3. All this suggests WAR continuing process of erosion of support for Chamoun govt but is also possibly preparing to detach north and south Lebanon with its pipeline terminals as it continues its pressure against Chamoun.